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## CITY OF MIAMI BEACH

## **Procurement Division** Interoffice Memorandum



Date: July 7, 2004

To:

Jorge M. Gonzalez

City Manager

Via:

Patricia Walker

Chief Financial Officer,

From:

Gus Lopez, CPPO, C

**Procurement Director** 

Subject: OFFICE DEPOT CONTRACT COMPETITIVELY AWARDED BY THE U.S.

COMMUNITIES GOVERNMENT PURCHASING ALLIANCE.

The Commission approved an Ordinance on first reading May 26, 2004, and approved on second reading and public hearing on June 9, 2004, accepting the Administration's recommendation to utilize contracts competitively awarded by the U.S. Communities Government Purchasing Alliance ("U.S. Communities").

Detailed information on U.S. Communities, and why it was in the City's best interest to amend Section 2-369 of the Code of Miami Beach Code to authorize the City Manager to utilize contracts awarded by U.S. Communities, was included in the Commission Memo outlining the Ordinance dated June 9, 2004.

As a result of economies of scale from utilizing the Office Depot U.S. Communities contract, the City will realize savings up to 85% off of list price over for over 300 high use office supplies; savings up to 63% off of list price for over 4000 frequently ordered office supplies; and savings up to 45% off of list price for all other catalog items. These savings are considerably more advantageous than those realized under the existing Corporate Express contract.

In addition, Office Depot is in the process of constructing a store on Miami Beach, with a targeting opening of early August 2004, which will further the economic development initiatives underway in the City.

Pursuant to the amendment to Section 2-369 of the Code of Miami Beach to include the utilization of U.S. Communities' contracts, the Procurement Division recommends the City Manager exercise his authority and utilize the Office Depot contract for City-wide Office Supply purchases. The Administration is planning a pilot phase for a limited number of City departments to purchase from Office Depot in July, with City-wide roll out planned to be complete by September.

Utilize Office Depot U.S. Communities Contract Utilize existing Corporate Express Contract

Jorge M. Gonzalez

City Manager